

**Reform creates a new Consumer Finance Protection Bureau.** This bureau will act as an independent watchdog with the ability to identify abusive practices in the marketplace and to act quickly on behalf of American consumers. The bureau will help ensure Americans are not victimized by deceptive practices and hidden fees and that consumers will have accurate information when they shop for credit cards and mortgages. This Consumer Finance Protection Bureau will have a hotline for Americans to call to report unfair practices.

**Reform will end the worst predatory lending practices** that contributed to the financial meltdown of 2008. Mortgage lenders no longer will be able to make “liar loans” that borrowers cannot repay, receive kickbacks for steering people into high-rate loans when they qualify for lower rates, and apply abusive loan fees and penalties to consumers for prepaying.

**Reform prevents big financial firms from becoming so big** that they threaten to take down the entire economy. The bill creates a Financial Stability Oversight Council with the ability to unwind big firms if they pose a systemic risk to the nation’s finances.

**Reform ends costly taxpayer bailouts** by establishing an orderly process for liquidating failing companies, managed by the Federal Deposit Insurance Company, which will be paid for by the companies’ investors and creditors – not taxpayers.

**Tough new rules will be established for the riskiest financial practices** that gambled away \$17 trillion of American’s retirement savings. Banks will be restricted in investing in risky hedge funds and the \$600 trillion derivatives market will now operate in the open, to catch problems – like the credit default swaps that brought down AIG and the entire economy – before they happen.

**Shareholders will be able to vote on executive pay** to rein in “golden parachutes” and egregious compensation packages for Wall Street that encouraged risky behavior.

**Small businesses, including grocers and retailers** facing out-of-control debit card swipe fees that take a bite out of every transaction, will have new protections to save them and consumers

money.

**Reform includes an auditing of the Federal Reserve's** emergency lending programs from the financial crisis and limits the Fed's emergency lending authority.